MOOSE IN KINGS KICK OVER FUSION TRACES

Their Meeting Last Night a Wild Night of Protest and Bitterness.

. HOWLS AT POUNDS'S NAME

Proposed Ticket Differs Widely From That Provided by Fusion Committee.

Brooklyn Progressives, meeting last night in the Johnson Building to designate their county and borough tickets, kleked over the fusion traces.

At midnight they were in a state of wild anger at the recommendation of their executive committee to name Lewis H. Pounds, a Republican and the fusion nominee, as the Progressive candidate for Borough President. A rising vote, which later gave way to a roll call, indicated that they accepted Pounds, however unpleasant the dose might be.

The county ticket, as proposed by the executive committee, was almost wholly unlike that provided by the fusion com-

The meeting was as wild as that which the Republicans held the night before at Murray Hill Lyceum, Manhattan. The PETITION FULLY SIGNED first mention of Mr. Pounds's name brought forth hoots, howls and groans. whole fusion programme as laid out for Kings county and the Borough of Brooklyn, was a very bitter pill.

County and Borough Slates.

Here are the county and borough tickets as made up by the executive committee after twelve hours of conference yesterday:

For Borough President, Lewis H Pounds, Republican, fusion For Sheriff, Gustave W. Thompson, In dependent Democrat. (Fusion nominee,

John T. Rafferty, Republican.) For Surrogate, Herbert L. Ketcham, Democrat, renominated. (Fusion nominee, Percy Egginton, Democrat.)

For County Judges, Jesse Fuller, Jr. Progressive, and George A. Green, Progressive. (Fusion nominees, Norman S. Dike, Republican, and Lewis L. Fawcett, Republican, renominated.)

For Register, Edward T. O'Loughlin. Independence League. (Fusion nominee, Jesse Fuller, Jr., Progressive.)

For County Clerk, Charles S. Devoy, Republican and fusion, renominated.
For Coroners, Dr. Thurston N. Dexter,

The meeting did not begin until 10 o'clock, though it had been called for two hours earlier. Besides the 730 members of the committee the galleries were crowded with spectators, including many The crowd was restive and its

At 9 o'clock word came from Timothy was thrown overboard because he refused. Woodruff, county chairman, that the to bow to Charles F. Murphy. L. Woodruff, county chairman, that the meeting would have to wait an hour longer because the executive committee was still in session. It had been at work on the slate for many hours. The subcommittee of twenty-eight had met at 10 o'clock in the morning and had been working on the slate ever since. Great opposition developed in the committee against indorsing any Republicans at all, and the Progressives wanted to shift around the fusion slate to suit their own

Woodruff Names Pounds

At 10 o'clock Mr. Woodruff appeared that he was ready for business. The win for the Tammany ticket the Mayor's members named him for permanent chair-independent following. man, and then with a great show of diffidence he brought forward the name of Mr. Pounds

The meeting broke forth in an uproar. minutes the shouts mounted higher and higher until it seemed that the meeting would break up in one final eruption

"You must remember," said Mr. Woodabove the din, "that the executive committee has been under great strain in framing this ticket. I was opposed to Mr. Pounds myself, but after many hours of discussion the committee by a substantial majority decided to recommend his designation at your hands. "I regret that I must ask you to vote

a Republican, but it seemed to us that designation of Mr. Pounds was the only way to break the power of Tammany

which assailed the name of the Republi-can Borough President subsided Thomas Larkin put forward the name of Alison L. Adams, a Progressive leader of Eighteenth Assembly district.

Other committeemen named John R. Taylor, a Progressive, and Frank Mann, now Tenement House Commissioner of

tions lasted for an hour. It was as stormy a sixty minutes as Brooklyn politicians have enjoyed since the Democrats tried to upset the power of Patrick H. Me-

Mr. Woodruff did his best to influence the committeemen in favor of Mr. Pounds. Another member of the committee re-ported that he had talked with John Pur-Mitchel over the telephone and that Mitchel had urged him to tell the ting earnestly that Mr. Pounds should meeting earnestly that Mr. Pounds nominated for the sake of the fusion

The names of Mr. Taylor and Mr. Mann were withdrawn. Mr. Adams got up to withdraw his own name, leaving Mr. Pounds the master of the field. A standing vote, counted amid the wild-est uproar, showed that he had won by a majority. But the committeemer showed that they hated to do it

two Coroners, both Progressives, indorsed unanimously. When the County Judges were reached. the committee's choice was departed from in one instance, Judge Lewis L. Fawcett and Jesse Fuller, Jr., being indorsed following men were designated for maining places on the ticket; bert Ketcham for Surrogate, Gusremaining

tav W. Thompson for Sheriff, E. P. O'Loughlin for Register and Charles Devoy for County Clerk.

APPOINTS CLAYTON AS SENATOR.

Gov. Neal's certificate is Presented to the Senate.

WASHINGTON, Aug. 20.—After a conference between Senator Bankhead and Representative Henry D. Clayton of Alabama, Mr. Bankhead appeared in the Senate to-day and formally presented the certificate esentative Henry D. Clayton of Alabama In submitting the credentials, Senator Bankhead asked that they be read and referred to the Committee on Privileges and Elections. This action was taken without objection

5% FOR MORTGAGE INVESTORS WE have on hand good mortgages which will pay investors five per cent.

They have been approved by us for the investment of our own funds. They are for sale to the rudent investor who wants a safe investment with a good

No expense to buyer. TITLE GUARANTEE AND TRUST CO 176 B'way, H. Y. 178 Bombon at., 8's 350 Polton St., Jemaion.

GAYNOR'S STRENGTH IS HELD IN RESERVE

Time Not Yet Ripe for Final Move Toward an Independent Nomination.

Till Tammany Makes Its Decision.

Mayor Gaynor will not answer those who would nominate him independently until after Tammany makes its designations. The Mayor's friends are far from having given up hope that Tammany will make him its candidate.

R. Ross Appleton, chairman of the Gaynor R. Ross Appleton, chairman of the Gaynor Fusion and Nonimating League, said yes-terday that the Mayor will keep his inten-tions quiet until after next Saturday, when Tammany men will name their city ticket.

"We will wait until after all the nominating bodies have met and named their candidates," said Mr. Appleton. "You see we have addressed them all advocating the election of Mr. Gaynor, and we feel that it is not in order for us to go shead and actually nominate until we know what they are going to do. Some of them have met already. We want indorsements, but are not very much worried because we have all Progressive and fusion, and Ernest C. and can go ahead and nominate Mr. Gaynor independently."

The Case for Gaynor.

The Mayor's friends have argued earn estly with the Tammany leaders that Mr Gaynor would make far and away the strongest candidate. They pointed out that the Mayor's record for independence disposition was clearly anti-fusion from would stand them in good stead this year, the firing of the first gun.

> In the next place they have pointed to the the Mayor's nomination on an independent ticket and have asserted that they would furnish a campaign fund such as has seldom been seen in this town.

The possibility that the Mayor will run independently does not frighten the Tammany leaders. They believe that he would draw many more votes from the fusion forces than from Tammany Hall. They say too that they would have the greatest difficulty getting their organization into line behind a man with so independent a

Their argument is that they would rather on the platform and told the meeting keep their organization in shape than to

Tammany's Sentiments.

Tammany men do not doubt the strength of the Mayor among independent voters. They believe that he would win many Republicans who fought against fusion and who take very ill the indorsement of the tage the issue of subways. But Judge city ticket by the Republican organization. McCall is unwilling to go to the City Hall. They also know that Mr. Gaynor has a igorous following among the Hebrews ruff as soon as his voice could be heard But in the face of these facts they hear con-Gaynor has very little organization support. Another fact that impressed the Tamthe Gaynor support. They thought it could

Tammany ticket.

The Mayor's friends had expected him to say before now that he would take Mr. Appleton's independent nomination as a proof to Tammany Hall that he already had a great body of voters ready to work for him. But the Mayor is willing to let things stand as they are until after the Tammany committee meets.

BULL MOOSE STANDS BY FUSION. Judiciary Committee Accepts Phil-

The Progressives agreed last night to take the two fusion nominees for the Su-preme Court, Eugene Philbin and Ben-jamin N. Cardozo. Their judiciary com-mittee met at Terrace Garden and with John J. O'Connell, president of the Hud-

son Progressive Club, nominated Mr. Philibin, and Stanley Isaacs, leader of the Twenty-ninth Assembly District, nominated Mr. Cardozo. Both designations unanimous.

Progressives by no means were satisfied with the ticket, but were determined to stand by the fusion Judges just and borough tickets on Monday.

BRACKETT FOR APPEALS COURT. Eleven Up-State Countles Indorse

Him for Republican Nomination. SARATOGA, N. Y., Aug. 20.—Ex-State Senator Edgar T. Brackett was indorsed for the Republican nomination for Chief Judge of the Court of Appeals at a neeting to-day of the Fourth district judicial committee

village was designated as a candidate for Justice of the Supreme Court to succeed Henry V. Borst of Amsterdam, who was appointed by Gov. Sulzer in the spring in place of the late Justice James Warren Houghton. The district comprises eleven up-State counties.

PRAYER NOW AT LABOR MEETING Jersey Federation Adopts Resolu-

tion After Stormy Debate. TRENTON, N. J., Aug. 20.—The New Jersey State Federation of Labor will henceforth be opened with prayer. A resolution to that effect was adopted

sentative Henry D. Clayton of Alabama appointing Mr. Clayton, United States Senator, ad interim, to fill the vacancy caused by the death of Senator Johnston.

In submitting the credentials, Senator Bankhead asked that they be read and referred to the Committee on Privileges and Elections. This action was taken without objection. A meeting of the Committee on Privileges and Elections will be called for Friday and Saturday to take action.

When Miss Julia Connell, of the Porcelain Finishers Union, first sprung the proposal amazement was will large upon the faces of the delegates. There was a moment's silence and then the debate raged long and somewhat acrimoniously. Labor meetings, said Samuel Levine, Bernard Weckstein and others, were not places for religion, but when the voto came Miss Connell carried the day.

Arthur W. Quin of Perth Amboy was elected president. When Miss Julia Connell, of the Porce-

M'CALL NEW NAME ON TAMMANY SLATE

Present Intention Is to Run Him for Chief Judge of Court of Appeals.

DOESN'T CARE TO BE MAYOR

Platform Committee Meets. Ready to Go Fusion One Better on Economy Issue.

The Tammany slate stood this way last For Chief Judge of the Court of Appeals

For Mayor, Victor J. Dowling. For President of the Board of Aldermen.

eph A. Goulden. For Comptroller, Herman A. Metz.
For District Attorney of New York county

Charles S. Whitman. For Justices of the Supreme Court, Eugene Philbin and Bartow S. Weeks. and his closest advisers do not come to when the city committee meets to designate candidates for the city offices, Democratic voters will find those names on the ballot next fall. One factor that might produce a change is the candidacy of William J. Gaynor, whom the Tammany eaders will not take if they can possibly

Further Action Will Be Delayed was that of Edward E. McCall, chairman of the Public Service Commission. Judge McCail can have the Democratic nomina-tion for Chief Judge of the Court of Appeals, to succeed Judge Edgar M. Cullen, if he wants it. His friends said yesterday that he is considering it seriously, will be a candidate.

Figuring on McCall's Strength. Tammany men feel that the chances of emocratic success in the State this fall are evidence is brought forward against Mr. Sulzer many voters will regard the pro-

ceedings as an attempt at political execu-But Judge McCall's friends pointed out that he would fare better at the hands of the voters than any other man who has been mentioned for the place. He has been a friend of Mr. Sulzer throughout his adminis-tration, and what Sulzer strength may remain in the State next November would be thrown in Judge McCall's favor. In case Mr. McCall is elected he will retire

Commission on January 1. Many important contracts for building the city's new subway system will be pending on that day. Judge McCall's friends said yesterday that his acceptance of the Court of Appeals nomination will be contingent upon the most the organization that a man will be apcarry on the subway work in the best inter-

Charles F. Murphy spent part of the day at his desk at Tammany Hall. He was questioned as usual about the Tammany slate.

"Well, Mr. Murphy," he was asked, "who will be the choice of the designating committee pext Saturday?" "It's absolutely unsettled," he said. "If Iknew I'd tell you.

"Have you any comment to make on the bitter dose the Republicans had to swallow last night?"

with a smile.
"Does the Republican indorsement of "Does the Republican indorsement all?" "Not a bit."

Main Issue la Economy.

It was suggested yesterday that when the designating committee gets down to There is a strong feeling among Tam-many leaders that Judge McCall would be

an effective candidate against John Purroy Mitchel, and could work to the best advan-The Tammany platform committee had session yesterday in the office of Senator The great issue which Tammany will raise is municipal economy eaders are willing to go the fusion committee one better in the matter of economy promises, and to declare for an administration which shall spend no money beyond what is needed to carry out projects already on the boards, except for improvements

HAY FEVER SEASON OPEN.

it Begins Officially and Victims Leave for Resorts.

WASHINGTON, Aug. 20.— The sneezing sea-son opened officially to-day, and all ve o shed prepare to start shedding them. For some unknown reason August 20 is the date for the annual opening of the sneeze season, and hundreds who yearly weepy eyes and the general cussedness first twitches, titillations and premonitory symptoms that, like the crack of the start mountains, seashore or lakeside, there to remain until the first frosts have cleared the remain until the first frosts have cleared the air of whatever germ or bacillus it is that brings hay fever.

Some enterprising individuals—the kinds that are always beating the barrier— started early on their regular summer semi-invalidism and are where they can live comfortably during the season.

JOTTINGS ABOUT TOWN.

Nathan Larned of 120 West 120th et was sentenced to fifteen days in workhouse by Magistrate Barlow in Tombs police court yesterday for getting money from immigrants on the pre-tence that they would need his help in order to obtain their naturalization papers. On August 12 Larned was sent to the Tombs for two days for the same offence.

An abandoned taxicab which had evidently been in a smashup was found by FAIL TO CATCH TRAIN ROBBERS. Policeman Denring at Myrtie and Bed-ford avenues, Williamsburg, carly yester-day. It was taken to the Vernon ave-nue police station. The taxicab's license was issued to Max Rosenfeld of 595 Tin-



SENATE MAY PASS TARIFF NEXT WEEK

Belief, but Others Fix Later Date.

PROGRESS

Cotton Schedule Is Disposed Of to a Large Extent-Debate on Hemp.

WASHINGTON, Aug. 20 .- Such progres vas made with the tariff bill in the Senat to-day that the leaders predicted the pass age of the bill within two or three weeks. Islands with an open mind as to the gen Senator La Follette of Wisconsin, who is eral proposition of the Philippine indeopposed to the measure, expressed the pinion that it would get through the Senate in about two weeks.

Senators Bristow, Smoot and Weeks to or 15. Senator Simmons, chairman of the Finance Committee, believes he can the Finance Committee, believe get the bill through next week.

The cotton schedule, which was expected take several days, was dispo in the main to-day. Senator La Follette who has a complete substitute for the schedule, decided at the last minute to defer offering it until the bill is reported to the Senate from the committee of the whole.

There was only one roll call on the schedule. It was on a motion, offered by Senator Lippitt of Rhode Island, to amend paragraph 256 to make spool cotton carry th same duty as the yarn from which it is made, but in no case a lower duty than 15 per cent was so drawn that in some cases the cottor thread would have a lower duty than raw material from which it was made, the cotton yarn. Senator Hoke Smith, who had charge of the cotton schedule, admitted that this was in part true. On the ote Senator Lippitt's amendment failed,

Senator Hoke Smith, for the Finance ommittee, accepted an amendment to the paragraph relating to cotton thread and carded yarn limiting the duty to such

"It wasn't a bitter dose to me," he said products "not over 600 yards long."
Spool cotton was made dutiable at 15 per controversy in the Democratic membership of the Senate committee and in the York law school, where he was an instruc-bemocratic caucus. Senator Hughes then tor from 1897 to 1899. In 1898 he was adsought to have the duty increased over the mitted to the bar House rate. The Democrats in the caucus Mr. Harrison married Mary Crocker of thought they saw an opportunity to relieve San Francisco June 7, 1999, and after her Judge McCall in as a tandidate for Mayor in place of Justice Dowling.

the housewife of the duty on her thread death in 1905 married Mabel I. and before Senator Hughes could stop the daughter of Henry I. Judson of F. and before Senator Hughes could stop the caucus put it on the free list and the last in 1907.

| Captain in the War. was worse than the first. By dint of much persuasion the duty of 15 per cent. was restored subsequently by the caucus.

An important and controverted subject was put aside for the future when the committee passed over paragraphs 257 and 258 relating to cotton cloths. They will be

taken up later. Among paragraphs agreed to change were 259, 260, 281 and 282 relating to handkerchiefs, ready made clothing, plushes, mufflers and also paragraphs 266, 267, 269, 270 and 271 covering knit goods, bandings, beltings, bindings, towels, quiltwash rags and a variety of like article and lace cutrains, and finally the basket glause of the cotton schedule, including a variety of articles of cotton not otherwise provided for.

Among the paragraphs reserved for future action were those covering damask, tapes tries, hose and stockings.

The Hemp Schedule.

The Senate took up the hemp, flax and jute schedule about 3 o'clock in the afternoon and spent most of the remainder of the day discussing it. Senator Bradley of Kentucky led a fight for higher duties on hemp, an senator McCumber of North Dakota ap-pealed to the Democrats to give higher duties for the flax growers of the Northwest. The question of a duty on flax straw held the attention of the Senate for three hours. showing how easy it is for the chamber to put on the brakes just as the time when an impression is gaining ground that the bill is being expedited.

PROGRESSIVE MAY GET SEAT.

Claim of McDonald of Michigan Sustained by House Committee.

unanimous action taken to-day by the clerk of the County Court. Committee on Elections.

In McDonald's case serious charges were brought against Michigan Republicans by Col. Roosevelt. H. Olin Young. who was sworn in as Representative from the district at the beginning of the ses. sion, has since resigned. McDonald claimed the seat on the ground that 1,200 or more ballots, apparently cast for him, were thrown out by the Michigan State canvassing board. The case will be

brought up soon in the House.

ater- Police Still Seek Men Who Held Up

Express in Portland, Ore. Harry Pahloff, 20 years old, of 102 Debevoise street, Williamsburg, for whom the police had been looking for more than a month on a charge of grand larceny, was arrested yesterday in front of the Manhattan avenue court, where he had PORTLAND, Ore., Aug. 20 .- The police

Salisbury in Brooklyn and fined \$25, in default of which he was committed to Raymond street jail. Curiosity over his prother's case made him go back, said through the car roof. It is not known they will represent the party leaders that they will not throw any man off the ticket, but if a nominee resigns they much the robbers got.

N. It siliard, a Progressive.

The fusion committeemen have told the party leaders that they will not throw any man off the ticket, but if a nominee resigns they will represent the party leaders that they will not throw any man off the ticket, but if a nominee resigns the party leaders that they will not throw any man off the ticket, but if a nominee resigns the party leaders that they will not throw any man off the ticket, but if a nominee resigns the party leaders that they will not throw any man off the ticket, but if a nominee resigns the party leaders that they will not throw any man off the ticket, but if a nominee resigns the party leaders that they will not throw any man off the ticket, but if a nominee resigns the party leaders that they will not throw any man off the ticket, but if a nominee resigns the party leaders that they will not throw any man off the ticket, but if a nominee resigns the party leaders that they will not throw any man off the ticket.

Francis Burton Harrison F. B. HARRISON NAMED ----

New York Congressman Was Suggested to President by New Jersey Senator.

WILL START ON SEPT. 5

dependence. .

WASHINGTON, Aug. 20.-President Wilson has chosen Francis Burton Harrison, Representative in Congress from the Twentieth New York district, to be Governor-General of the Philippines.

Mr. Harrison is a member of the Ways and Means Committee of the House and has played a prominent part in the two ns of the tariff which have been prepared by that committee in the last three years. His selection will not be regarded as substantial recognition of the That Is Chairman Simmons's Mr. Harrison has been affiliated with the organization throughout his political ca-

> The service to which Mr. Harrison has been called is all the more important because of the pledge in the Democratic platform

of Philippine independen MADE The initial suggestion of Mr. Harrison's name to the President came from Senator William Hughes of New Jersey. Among those who joined Mr. Hughes in urging the appointment were Representatives what has been done in carrying them Underwood and A. Mitchell Palmer, both of out has been along ordinary business whom, like Senator Hughes, had been collines, with the implied, and generally, leagues of Mr. Harrison on the Ways and, with the expressed approval, authori-

Means Committee. Representative Harrison said to-night: Open Mind on Islands.

"If my nomination is satisfactory to the Senate I shall go to the Philippine pendence either immediate or ultimate attention or study to the internal policy tions between the islands and the United States except in so far as the tariff between this country and the islands is concerned. Mr. Harrison in the event of his confirma-September 5 for his new post.

"I join with his many other friends in congratulating Francis Burton Harrison on his appointment and congratulate sident Wilson upon making the appointment," said Speaker Clark.

Doesn't Know the Salary

Later Champ Clark sought out Mr. Harrion and congratulated him again.
"What's the salary of the new job? asked the Speaker.

sed if I've found out yet," replied Mr. Harrison of the Philippine Islands, who is the head and front of the Philippine independence movement in the United States, is delighted with the selection of Mr. Harrison. The nomination will be considered at a special meeting of the Senate Committee on Philip-

10 o'clock to-morrow. Mr. Harrison is the fourth man to be named Governor-General of the Philip-pines. The first was William H. Taft, the second Luke Wright and the third Cameron Forbes, the well known Harvard athlete. Francis Burton Harrison was born Decent., the same as is carried in the House bill. This has been the subject of a lively graduated from Yale in 1895 and later received the degree of LL.B. from the New

a private in Troop A. New York volunted Adjutant-General United States Volunteers Mr. Harrison was elected to the Fifty-eighth Congress from the Thirteenth New York district, was Democratic candidate Lieutenant-Governor of

FUSIONISTS MAY SHIFT

Republican Leaders in Kings and The Bronx May Not Grumble Wholly in Vain.

Perhaps the fusion committee will listen to the disgruntled party leaders and reap already assigned on the county and borough that the one test to be applied on a reapportionment is that of value to the ticke

Jacob Livingston, Republican leader i Kings county, and the men who stood by him in the fight against the fusion ticket at Murray Hill Lyceum on Tuesday night have said openly that they won't stand by the local slate provided by the fusionists Washington, Aug. 20.—William J. Mc-Donald of the Twelfth Michigan district, put in as Sheriff of Kings county. Instead a Progressive, will probably be seated as the fusionists gave them John T. Rafferty,

Rafferty is a Republican from Congress-man William M. Calder's district. Bu tion. It was said yesterday that they have gone to Rafferty and told him that he was in Swasey's way and that his presention was good enough anyhow. Rafferty is understood to have replied that he might

get out for the good of the organization.

The fusion committee was said last night to be obdurate as far as Swasey is concerned. But with its refusal went the assurance that if the leaders could agree on another man the committee would con-sent to Rafferty's elimination.

The Livingston crowd objects also to the nomination of Percy Egginton, a Democrat, for Surrogate The Republicans will meet to-night to designate the county slate in Kings, and will

bevoise street, whiling for more than a month on a charge of grand larceny, was arrested yesterday in front of the Manhattan avenue court, where he had gone to learn the disposition of a case in which one of his friends figured.

For refusing to stay out of the court room when ordered to do so several times from when ordered to do so several times to hand over their money and other Salisbury in Brooklyn and fined \$25, in december of the Salisbury in Brooklyn and fined \$25,

FOR THE PHILIPPINES MUTUAL RELATIONS AND INTERESTS OF THE BELL SYSTEM AND THE PUBLIC

questioning the purchase of certain telephone properties in the northwest, as well as the pending Interstate Commerce Commission telephone investi-gation, have caused many inquiries. Says He Has an Open Mind on Without taking up anything going to the Ouestion of Inseemed to us proper to state generally what has been our policy and purpose

in the conduct of our busine We have found, or thought that we had, that our interests were best served when the public interests were best served; and we believe that such success as we have had has been because our business has been conducted on these lines.

We believe that our company has an interest as vital as that of the public in the proper administration of the problems of electrical inter-communication. The success and prosperity of our company depend upon a solution of these problems which shall be sound from both the standpoint of the company and the public which it serves.

Following our own best judgment supplemented by the best obtainable advice, we have endeavored to do what would best serve the public interest; wherever possible our plans have been disclosed to the public in advance, and what has been done in carrying them with the expressed approval, authorization or consent of the municipal and state authorities directly interested. Our effort has been not only to obey the law, but to avoid everything which might even have the appearance of an attempt at evasion. Our business methods and policy,

and practically all of the details as to the transaction of our business, are matters of common knowledge and are, and for many years have been, well known to the government. We will willingly furnish the government any additional information which is in our possession or under our control, and will cordially co-operate with it in obtaining such further information as it may require. Every possible assistance will be given by us to the courts in their effort to determine whether our policy is or has been inimical to the public interest. We desire that anything wrong be corrected; we will voluntarily rectify any wrong that may be pointed out to us; and, so far as it may be determined that our policy or any act under it is against the public interest, we will promptly conform to such determination.

We believe that if each of our exchanges were made an independent unit and if each connecting line were put under a separate control, the effeet upon the telephone service of the in hand with competition.

We believe that the record of the require such physical connection and this policy has given the puone of single system. Physical connection in in the world and made the bell star not mean transfer of messages from misapprenension on account of one line to the other. It means such many misleading statements a connection as will permit one person have been circulated as to the alleg one end of it to the other and this can cept where stated, the figures are only be given efficiently by exchange the Bell System; that is, the American systems and connecting lines under a Telephone and relegraph and its Asse common control; and that is what the ciated Companies.

Bell System is. In this connection, and for general the public obligations it. e. information, we will restate the policy open accounts, bonds and san which controlled the building up of the par value of \$776,000,050. the Bell System, and our belief as to what a telephone system should be, and

what are its relations to the public. We believe in and were the first to advocate state or government control made, and most or them under JOBS TO SUIT KICKERS advocate state or government control and regulation of public utilities; that this control or regulation should be by case has the value as it stands or permanent quasi-judicial bodies, actinost cases it has been very large ing after thorough investigation and exceeded. governed by the equities of each case; and that this control or regulation, be- paid during the year 1912 an yond requiring the greatest efficiency and economy, should not interfere with management or operation. We believe that these bodies, if they are assets. to be permanent, effective and of publie benefit, should be thoroughly rep-resentative; they should be of such character and should so conduct their investigations and deliberations as to command such respect from both the public and the corporations that both will without question accept their con-

We believe that the public would in this way get all the advantages and avoid all the manifest disadvan-

and avoid an tages of public ownership.

We believe that centers of business and population exist for the convenience of the public as a whole, and that mg capital outlay. To meet no such center can prosper without sufficient and efficient means of intercourse with other centers and tribu-tary territories; that such means can be afforded by prosperous util- creased from 1,460,000 miles ity and service companies and that fair rates are essential to prosperous companies. We do not believe that any public either desires or can obtain, nor can any service or utility furnish, per-manent and efficient service at less than cost, including capital charges. We believe that ultimately the public either directly or indirectly pays the losses involved in the efforts to furnish such service at less than its fair cost, either through the loss of the capital involved, the losses incident to poor service or the necessary increase in charges required to pay for duplica-

charges required to pay for duplica-tion of capital.

We believe that the highest commer-cial value of the telephone service de-pends on its completeness—on the ex-tent and comprehensiveness of the facilities for intercommunication, not only between individuals but between centers of population; that no isolated section can be considered independently of any other section or of the whole; that rates must be so adjusted as to make it rossible to obtain the country of the country as to make it possible to obtain the maximum development by making it possible for every one to be connected who will add to the value of the system, thus giving the greatest value to

The suit brought by the United States | the greatest number; that the interdependence of the telephone service and the value of complete and universal intercommunication justify and require some services partly at the expense of the whole for the benefit of the whole.

We believe that this highest com-

mercial value can only be attained by one system under one common control and that it cannot be given by independent systems unless they are operated under agreements which result in one common control and one common interest, in effect making them a single

we believe that rates should be so adjusted as to afford the company sufficient revenue to pay such wages and compensation as will secure the most efficient service; to maintain the very highest and most advanced standards of plant and apparatus, to carry on such scientific and experimental research and inventions as to apparatus and methods as to insure the highest standards, and to carry to reserve and depreciation such amounts as will enable the company at any time to replace old plant and old methods with new plant and new methods as fast as they may be developed and found to be to the advantage of the service. We believe that in addition, such fair charges should be paid upon the in-vestment in plant as will enable the company at any time to obtain money necessary to provide the plant required to meet the continuing demands of the public; and in order that waste and duplication of effort may be avoided. and uniformity of purpose and com-mon control be enforced, that there should be a centralized general administration in close communication with and having general authority over the whole on matters common to all or matters of general policy.

We believe that any surplus beyond that necessary to equalize dividends on a fair basis should be used by the company for the benefit of the public and should be inalienable for any other purpose, and should be either in vested in revenue-earning plant untinecessary to substitute plant which may become inadequate or obsolete, or should be used to make the service

cheaper or better.

We believe that under proper governmental control and regulation the profits from promotion or operationallowed to be distributed should not be so large as to warrant or tempt complete duplication of plant and organization, with its duplication of its capital charges and its organization operating, maintenance and depreciation expenses; and we do not believ tnat utilities giving at fair rates a efficient and sufficiently comprehensive universal service should be subject to limited competition, not giving such service. Competition which ignores the obligation to furnish a complete and comprenensive service is not tition, is not for the benefit of the pubhe in that it does not reach the wnol-

public interested. If, therefore, complete duplication with its dual exenange connection as dual bills for service, is a prerequisit to complete competition, government

erable that the public would refuse to Bell System will be accepted by submit to it and would immediately public as fully in accord with the declarations. Consistent adherence is common control of these various units united states the best, most compre

to have the actual possession of the unnecessary and overcapitalization at particular line of communication from one end of it to the other and this

> the entire Bell System on June 1913, had outstanding in the har

The book value of the total lang assets, which is considerably by their replacement value, amoun \$960,000,000. Many appraisals of erty included in these assets have direction of public authorities.

The total dividends and to only 6.1% on the average outstanding obligations, and than 5% on the average value

The actual cash which has been into the treasury of the Telephone and Telegraph Compar account of the capital obligation outstanding amounts to \$22.68.080 more than the par of such outstanding obligations.
The Associated Companies coll

from the public and paid bas

axes over \$10,000,000 during the The steadily increasing of the public not only for add but for new telephone service of be met by new construction. mands during the six and years from 1907 to June sive, the increase in telephore was as follows: Toll line 000 miles; exchange wire from 6.000,000 miles to the number of exchange stat creased from 2.730,000 to the number of stations of inc companies connected with System increased from 343,000 620,000. The number of inde companies connected with the System is about 25,000. The min employees in the Eell Systemicluding the employees of concompanies, on December 31, 19

141.000. During this same period the of shareholders of the America phone and Telegraph Company cluding either the associated nected companies, increased fro 000 to about 54,000. shareholders hold less than 100 100 to 1,000 shares each; 347 shares holders hold from 1,000 to 5,000 shares each, while there are only 16 sha holders of 5,000 shares or over in their own right. A majority of the holders are women

American Telephone and Telegraph Co. THEO. N. VAIL, President.